

ONTARIO BRAIN INJURY ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

MARCH 31, 2010



AUDITORS' REPORT

To the Members,
Ontario Brain Injury Association

We have audited the statement of financial position of the **Ontario Brain Injury Association** as at March 31, 2010 and the statements of revenues, expenses and net deficiency and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Association derives revenues from donations and other fund-raising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess of revenues over expenses, assets and operating fund balance.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donation and fund-raising revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2010 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*St. Catharines, Ontario,
June 17, 2010.*

MacGillivray (St. Catharines)

CHARTERED ACCOUNTANTS
Licensed Public Accountants

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ONTARIO BRAIN INJURY ASSOCIATION

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STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2010

	2010	2009
ASSETS		
Current		
Cash	\$ 263,220	\$ 235,621
Accounts receivable	38,582	39,970
Inventories, at cost	18,993	41,272
Prepaid expenses	<u>8,351</u>	<u>16,856</u>
	329,146	333,719
Investments (note 3)	496,162	430,977
Property and Equipment (note 4)	<u>2,243</u>	<u>2,803</u>
	<u>\$ 827,551</u>	<u>\$ 767,499</u>
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 55,371	\$ 66,427
Deferred revenue	<u>113,805</u>	<u>103,266</u>
	<u>169,176</u>	<u>169,693</u>
Long-Term		
Accrued pay equity (note 5)	<u>145,577</u>	<u>150,662</u>
Commitments (note 6)		
Net Assets (Liabilities)		
Net assets invested in capital (note 7)	<u>2,243</u>	<u>2,803</u>
Internally restricted funds (note 8)		
Jane Hayman fund	499,731	435,252
Training and education fund	<u>25,024</u>	<u>28,179</u>
	<u>524,755</u>	<u>463,431</u>
Unrestricted from operations	<u>(14,200)</u>	<u>(19,090)</u>
	<u>\$ 827,551</u>	<u>\$ 767,499</u>

Approved on behalf of the Board

Director

Director

See Accompanying Notes to the Financial Statements



ONTARIO BRAIN INJURY ASSOCIATION

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STATEMENT OF REVENUES, EXPENSES AND NET DEFICIENCY

FOR THE YEAR ENDED MARCH 31, 2010

	2010	2009
Revenues		
Grants	\$ 576,841	\$ 542,004
Donations and events (net of related expenses of \$284,083, 2009 - \$19,208)	49,544	27,818
Memberships	47,955	43,910
Conferences (net of related expenses of \$113,332, 2009 - \$84,859)	137,088	116,535
Fundraising - break open ticket lotteries (page 9)	109,594	143,278
Sales (net of related expenses of \$29,977, 2009 - \$6,783)	(17,750)	(629)
Interest and miscellaneous	<u>1,313</u>	<u>5,838</u>
	<u>904,585</u>	<u>878,754</u>
Expenses (page 10)		
Program services		
Survivor support	246,629	240,910
Information dissemination	484,450	473,216
Prevention initiatives	44,041	43,019
Support services	<u>105,698</u>	<u>103,246</u>
	<u>880,818</u>	<u>860,391</u>
Support of affiliates	<u>21,537</u>	<u>19,264</u>
	<u>902,355</u>	<u>879,655</u>
Excess (Deficiency) of Revenues Over Expenses	2,230	(901)
Transfer from education and training fund	2,100	4,071
Transfer from capital	<u>560</u>	<u>716</u>
Excess of Revenues Over Expenses for the Year	4,890	3,886
Net Deficiency - Beginning of year	<u>(19,090)</u>	<u>(22,976)</u>
Net Deficiency - End of year	\$ <u>(14,200)</u>	\$ <u>(19,090)</u>

See Accompanying Notes to the Financial Statements

ONTARIO BRAIN INJURY ASSOCIATION

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2010

	2010	2009
Cash Flows from Operating Activities		
Excess (Deficiency) of revenues over expenses	\$ 2,230	\$ (901)
Adjustments for non-cash items		
Amortization	<u>560</u>	<u>716</u>
	2,790	(185)
Changes in non-cash working capital		
Accounts receivable	1,388	(24,154)
Inventories	22,279	(33,716)
Prepaid expenses	8,505	9,857
Accounts payable and accrued liabilities	(11,056)	(2,992)
Deferred revenue	<u>10,539</u>	<u>36,246</u>
	<u>34,445</u>	<u>(14,944)</u>
Cash Flows from Investing Activities		
(Decrease) increase in investment portofilo cash balance	(705)	168
Training and education fund expenses	<u>(1,055)</u>	<u>-</u>
	<u>(1,760)</u>	<u>168</u>
Cash Flows from Financing Activities		
Long-term debt repayments	<u>(5,085)</u>	<u>(4,591)</u>
Increase (Decrease) in Cash	27,600	(19,367)
Cash - Beginning of year	<u>235,621</u>	<u>254,988</u>
Cash - End of year	<u>\$ 263,221</u>	<u>\$ 235,621</u>

See Accompanying Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2010

1. NATURE OF OPERATIONS

The Ontario Brain Injury Association is a non-profit, income tax exempt organization incorporated for the purpose of fostering measures to promote quality care, education, research and prevention of brain injury.

2. SIGNIFICANT ACCOUNTING POLICIES

The Association follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

(a) Revenue Recognition

Funds received through memberships and unrestricted donations are recognized as revenue when received. Revenue from fund-raising is recognized when the event occurs. Revenue from grants are deferred and recognized over the duration of each program as the funds are earned and other restricted contributions are deferred until funds are used for the specific purpose.

Revenues recorded from break open lottery tickets represent amounts to which there is a reasonable likelihood that the Association is entitled. These revenues are reported as sales, net of any shortages experienced by retailers selling the tickets.

(b) Property and Equipment

Expenses for property and equipment are capitalized and amortized over their estimated useful lives on the declining balance using the following rates:

Computers	30%
Office equipment	20%
Leasehold improvements	20%

(c) Donated Services

No amounts have been recorded in the financial statements for donated services as no objective basis is available to measure the value of such services.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2010

(d) Financial Instruments

The association continues to disclose and present financial instruments in accordance with Section 3861 "Financial Instruments - Disclosure and Presentation. Financial assets are classified as either "held-for-trading", "held-to-maturity", "available for sale" or "loans and receivables". Financial liabilities are classified as either "held for trading" or "other liabilities". Financial assets and liabilities classified as held-for-trading are measured at fair value with changes in fair value reported in the statement of operations. Financial assets classified as held-to-maturity or loans and receivables and financial liabilities classified as other liabilities are subsequently measured at amortized cost using the effective interest rate method.

The association has classified its financial instruments as follows:

- Cash and investments are classified as held-for-trading
- Accounts receivable are classified as loans and receivables
- Accounts payable and accrued liabilities are classified as other liabilities

(e) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known. Actual results could differ from those estimates.

3. INVESTMENTS

Investments are recorded at fair market value and are comprised of:

	<i>2010</i>	<i>2009</i>
Canadian equities	\$ 165,450	\$ 95,751
Canadian bonds	<u>330,712</u>	<u>335,226</u>
	<u>\$ 496,162</u>	<u>\$ 430,977</u>

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	<i>Net Book Value</i>	
			<i>2010</i>	<i>2009</i>
Computers	\$ 151,358	\$ 150,813	\$ 545	\$ 681
Office equipment	53,522	52,442	1,080	1,350
Leasehold improvements	<u>24,206</u>	<u>23,588</u>	<u>618</u>	<u>772</u>
	<u>\$ 229,086</u>	<u>\$ 226,843</u>	<u>\$ 2,243</u>	<u>\$ 2,803</u>



ONTARIO BRAIN INJURY ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2010

5. ACCRUED PAY EQUITY

A review by the Pay Equity Commission of Ontario determined that pay equity adjustments attributable to past service are owed to a certain group of employees and past employees. The total pay equity obligation is in the amount of \$145,577 at March 31, 2010. This amount is not due or payable in full in the near future. The Association must pay at the minimum 1% of the total Association's prior year payroll. The Association must pay \$4,835 in adjustments in the next year. Further, the Association is not obligated to pay out any individual employee adjustment in full on their termination or retirement.

6. LEASE COMMITMENTS

The Association has an operating lease obligation for premises for approximately \$49,000 per year. In addition, the Association has various operating leases for equipment with an approximate annual cost of \$20,000.

7. NET ASSETS INVESTED IN CAPITAL

	<i>2010</i>	<i>2009</i>
Balance - beginning of year	\$ 2,803	\$ 3,519
Transfer to operating fund	<u>(560)</u>	<u>(716)</u>
Balance - end of year	<u>\$ 2,243</u>	<u>\$ 2,803</u>

8. INTERNALLY RESTRICTED FUND

The Association is the beneficiary of an estate bequest which has been internally restricted as two funds, the Jane Hayman Fund and the Training and Education Fund.

	<i>Jane Hayman Fund</i>	<i>Training and Education Fund</i>
Fund balance - Beginning of year	\$ 435,252	\$ 28,179
Transfer to operating fund	-	(2,100)
Investment income	64,479	-
Expenses paid out of fund	<u>-</u>	<u>(1,055)</u>
Fund balance - End of year	<u>\$ 499,731</u>	<u>\$ 25,024</u>

Investment income earned on the Jane Hayman Fund will be directed toward funding brain injury education. The Training and Education Fund has been restricted for funding education programs.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2010

9. FINANCIAL INSTRUMENTS

Fair Value

The Association's financial instruments consist of cash, accounts receivable, investments, and accounts payable and accrued liabilities. These financial instruments are reported at their fair values on the statement of financial position.

Risks

Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risk arising from these financial instruments.

10. CAPITAL MANAGEMENT

Unrestricted Fund:

The association's objective in managing the unrestricted fund capital is to maintain a sufficient level to provide for normal operating requirements.

Internally Restricted Funds:

The association's objectives in managing the internally restricted funds are:

Jane Hayman Fund

Investment income earned on the Jane Hayman Fund will be directed toward funding brain injury education.

Training and Education Fund

The Training and Education Fund has been restricted for funding education programs.



AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Members,
Ontario Brain Injury Association
St. Catharines, Ontario

We have audited and reported separately herein on the financial statements of the **Ontario Brain Injury Association** as at and for the year ended March 31, 2010.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the organization taken as a whole. The current year's supplementary information included in the schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*St. Catharines, Ontario,
June 17, 2010.*

MacGillivray (St. Catharines)

CHARTERED ACCOUNTANTS
Licensed Public Accountants

ONTARIO BRAIN INJURY ASSOCIATION

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SCHEDULE OF FUNDRAISING - BREAK OPEN TICKET LOTTERIES

FOR THE YEAR ENDED MARCH 31, 2010

	<i>2010</i>	<i>2009</i>
Revenues		
Net sales	<u>\$ 312,798</u>	<u>\$ 418,017</u>
Expenses		
Licenses	19,048	24,671
Alcohol and gaming commission fees	47,610	61,936
Tickets	40,053	53,161
Retailer fees	59,085	78,462
Management services	36,145	48,785
Office supplies and other	(1,237)	5,424
Professional fees	<u>2,500</u>	<u>2,300</u>
	<u>203,204</u>	<u>274,739</u>
Net Income	<u>\$ 109,594</u>	<u>\$ 143,278</u>

See Accompanying Notes to the Financial Statements

ONTARIO BRAIN INJURY ASSOCIATION

SCHEDULE OF EXPENSES - PROGRAM SERVICES

FOR THE YEAR ENDED MARCH 31, 2010

	<i>Survivor Support</i>	<i>Information Dissemination</i>	<i>Prevention Initiatives</i>	<i>Support Services</i>	2010 Total	2009 Total
Expenses						
Wages and benefits	\$ 126,940	\$ 249,347	\$ 22,668	\$ 54,403	\$ 453,358	\$ 488,314
Promotion and education	94,982	186,572	16,961	40,707	339,222	282,768
Occupancy	12,906	25,350	2,305	5,531	46,092	46,411
Office	6,634	13,031	1,185	2,843	23,693	21,007
Travel	3,972	7,803	709	1,702	14,186	10,129
Professional fees	980	1,925	175	420	3,500	7,464
Communications	58	114	10	25	207	3,582
Amortization	157	308	28	67	560	716
	<u>\$ 246,629</u>	<u>\$ 484,450</u>	<u>\$ 44,041</u>	<u>\$ 105,698</u>	<u>\$ 880,818</u>	<u>\$ 860,391</u>

See *Accompanying Notes to the Financial Statements*

